

Planning Task Force Recommendations

Executive Summary

Introduction

In June 2004, a group of national experts on housing, planning and land use issues released a report titled: *Housing Strategies for Houston: Expanding Opportunities*. Commissioned by a broad-based Steering Committee that had spent two years gathering evidence on the housing-related needs of the City,¹ chaired by Houston City Council Member Gordon Quan, the report highlighted critical challenges facing Houston over the next 25 years related to housing, planning and growth and underscored the importance of proactive measures to strengthen Houston's housing and planning policies to ensure the City is better prepared to meet these challenges.

Among other recommendations, the experts' report called for the appointment of a housing chief to coordinate the city's diverse policies and activities related to housing. It also recommended that Houston adopt a housing plan to provide an overall framework to guide city housing policy, establish funding priorities, and develop proactive policies to advance the city's housing-related goals. The report made clear that any such housing plan would need to be "realistically tailored for Houston."

In October 2004, City Council Member Gordon Quan asked the Housing Strategies Steering Committee to establish a short-term Planning Task Force to help define the elements of a housing plan tailored for Houston. A separate short-term task force was established to focus specifically on affordable housing issues. The recommendations of the planning task force are summarized below.

Summary of Recommendations

The Planning Task Force recommends the establishment of a Housing Action Plan to guide Houston's housing-related policies. As we use the term, a Housing Action Plan is a collection of specific, actionable city policies designed to (a) promote sensible and sustainable growth; (b) expand families' housing options; (c) create stronger neighborhoods; and (d) improve the city's housing-related decision-making. A box following this summary details the basic objectives of a Housing Action Plan for Houston.

The body of the report provides recommendations to advance each of the basic objectives of the Housing Action Plan. Most recommendations fall into one of five categories: (1) development incentives to promote city-wide planning priorities; (2) improved integration and coordination of local planning processes; (3) a voluntary site plan review process; (4) expansion of development options and strengthening of connectivity within and between neighborhoods, especially in new suburban development and (5) enhanced coordination across agencies. As discussed below, the Mayor's recently announced Houston Hope program provides an excellent opportunity to field test many of these recommendations. The City should also consider field testing these recommendations in other neighborhoods at different stages of revitalization.

¹ This process was initiated by the Houston Chapter of the American Institute of Architects, in partnership with the Houston City Council, the business community, nonprofit community-based organizations and others. For more information on the process that led to the report, or for a copy of the report, see www.housinghouston.org.

1. *Development Incentives to Promote City-Wide Planning Priorities.* As described more fully in the body of the report, this Task Force recommends that the City establish incentives to promote sensible and sustainable growth patterns. For example, to reduce traffic congestion and improve air quality through decreased car usage, the City should develop incentives to encourage greater density in the urban core, around transit hubs and near job centers. These incentives should be mapped to specific areas so that developers and the public can be fully aware of them. (To increase public acceptance of these incentives, it would be helpful to conduct a campaign to educate the public about the benefits of greater density and dispel concerns about negative ramifications.) Similarly, the City should map the areas in which it would like to strategically target infrastructure investments – for example, areas in need of revitalization, or areas where economies of scale could be achieved – and either fund the development itself, or incentivize private developers to do so. Other recommended incentives for sensible growth patterns – e.g., infill development – are discussed in the detailed recommendations. (In selecting areas for incentives, the city should consider, among other things, locally initiated planning efforts, such as those described below.)

2. *Improved Integration and Coordination of Local Planning Processes.* At present, there are numerous local planning initiatives and programs taking place through the City, including processes related to Management Districts, Tax Increment Reinvestment Zones (TIRZs) and Super Neighborhoods, as well as processes undertaken by business associations, Community Development Corporations, and other organizations. There is no well-established mechanism, however, for coordinating these plans with City action. To enhance the efficiency of existing planning efforts, we recommend that this linkage be strengthened in the following manner:

- The city should establish basic guidelines for the types of plans that will be eligible for the benefits described below. The guidelines should be flexible enough to recognize the diversity of different planning processes already underway, and also work to minimize geographical overlap and conflicts between plans.
- The city should take steps to ensure that the recommendations for city action (e.g., new infrastructure investments, code enforcement, construction of affordable housing, etc.) contained in eligible plans receive priority attention and consideration for funding or other city action. (This is not to say that a neighborhood must have an eligible plan to receive city funding, but there is clearly a need to improve the linkage between district and neighborhood recommendations contained in well-designed plans and city funding decisions.)
- Chapter 42 should be amended to specify a number of neighborhood types – for example: central business district, urban neighborhood, suburban, etc. For each neighborhood type, a specific set (or range) of design standards should be established to strengthen neighborhood cohesion. The standards should not relate to land use, but rather to design elements such as minimum set-backs, street widths, curb-cuts, sidewalks, and location of parking. Eligible plans should have the option of selecting which standard(s) apply to their neighborhood. (There are differences of opinion among task force members on how best to implement the design standards selected by a community in such a plan.)
- The desires of community members expressed in recognized plans should be communicated to property owners and developers through a voluntary site plan review

process described below.

- Once this process has been established, and subject to the availability of funds, it will be important to make funding available to ensure that neighborhoods that do not currently have a recognized plan have professional planning assistance, either from City staff or consultants, to help them articulate their aspirations and future vision in plans, as well as to conduct the organizing needed to reach out to residents affected by plans.

3. *Voluntary Site Plan Review Process.* To help implement the city-wide development incentives and recognized local plans, the city should set up a voluntary site plan review process, the use of which would be a condition for accessing these incentives as well as any city subsidies, such as those for affordable housing.

- The site plan review will provide an opportunity for planning department staff to review the property owner's plan, advise the owner of any density, infrastructure, or other incentives to which the owner has not availed him or herself, and also advise the owner of the standards set out in the neighborhood plan. (Additional incentives could be added to encourage compliance with the neighborhood plan.)
- The site plan review also will provide for public input (through Super Neighborhoods and civic associations) at an early stage of development, minimizing last-minute hold-ups due to community opposition and thus enhancing the predictability of development decisions.
- The value of the site plan review process would be enhanced if administered by planning department staff with detailed knowledge of the particular neighborhood in which a proposed development is to be located. (Ideally, the same staff person would handle all the reviews for a particular neighborhood, enhancing their knowledge of the neighborhood and giving the development community a go-to person for that neighborhood.) The planning department would likely need additional staff to handle this additional responsibility.

4. *Expand development options and strengthen connectivity within and between neighborhoods, especially in new suburban development.* To facilitate the creation of new, sustainable communities that provide housing for all economic and age groups located in proximity to parks, schools, shops, services and places of work:

- Amend Chapter 42 to allow new urban development to occur outside of Loop 610, for instance, when such development will be located along public transit corridors, at transit hubs (park and ride) or adjacent to large commercial sites (e.g. Willowbrook Mall).
- Supplement Chapter 42 with incentives that encourage neighborhood friendly development practices such as: wider sidewalks in urban areas, use of existing alleys, rear facing garages or garage doors not visible from the street, front porches, pocket parks, etc.
- To strengthen connectivity within and between neighborhoods:
 - Review the "Major Thoroughfare and Freeway Plan" and incorporate new standards and requirements for a "collector street plan." Consistent collector street connections will

help provide safer options for bicycling and walking and can also help divert some short car trips from congested arterial streets. Such a plan should also include appropriate design standards to minimize cut-through traffic impacts on neighborhoods.

- Establish a comprehensive “Major Sidewalk and Trail Plan” styled after the “Major Thoroughfare and Freeway Plan.” This will facilitate connectivity by foot and bicycle.

5. *Enhanced coordination among City departments and agencies.* The city’s housing policies are implemented through multiple city departments and other agencies, including Planning and Development, Housing and Community Development, Public Works, the Housing Authority, and the Housing Finance Corporation. To ensure an efficient and effective housing policy, it is essential that these departments and agencies work together. The Mayor’s decision to appoint a Deputy Chief of Staff for Neighborhoods and Housing represents an important step in the direction of greater coordination and we urge that this position be institutionalized so it survives across administrations. We further urge the City to dedicate additional resources (including staff support) to this function to ensure that the coordination actually occurs. Without strong staff support and other resources, a single coordinator cannot ensure that all the various departments interact smoothly and effectively to produce a single, coherent housing policy that advances the city’s housing and neighborhood goals. This support will also help the City interact effectively with its partners at the federal, state, and county levels.

We also recommend that the City develop an overall “housing strategy,” based on projected demand for housing affordable to different income levels and reflecting the complementary contributions that different City agencies could make to meeting these needs. Such a strategy – developed, say, for a five-year period and revisited every three years – would play a valuable role in helping to facilitate coordination across the different agencies that impact housing production and affordability. We understand that the City is in the process of commissioning a study of projected demand for housing at different income levels. We commend the City for this important step forward.

While the system described above lacks the ‘teeth’ that some believe could be necessary to strongly impact development patterns, the task force nevertheless believes that it would be an important step forward toward creating a more livable city. As a general rule, the task force has strived to develop a process that can be implemented in the near term. The task force believes the voluntary, incentive-based process described in this report *can* be implemented and, if tied to meaningful incentives, will have a positive impact that would benefit the entire City of Houston.

The task force understands that Houston has voted against zoning on multiple occasions. We nevertheless believe there is a need for a framework to proactively guide city investments such as infrastructure replacement. The incentive-based system recommended in this report strikes a middle-ground, creating incentives that will encourage the type of development that the city and neighborhoods seek. So long as these incentives are clear, consistent, meaningful and efficiently administered, we believe that developers will respond favorably. An incentive-based system can create a “win-win” environment for both growth and quality of life in Houston.

By outlining the need for a Housing Action Plan and describing its basic components, this report takes the first step towards implementing this much-needed framework for the city’s housing-related policies and activities. The next steps are for the City to (1) commit to developing a

Housing Action Plan; (2) establish a transparent public process for developing and approving such a plan; and (3) devote to this task the necessary administrative resources from the Planning, Housing, and Public Works departments. As the Plan takes shape and the specific components become fully defined, it may also be necessary to (4) take formal action to implement elements of the housing action plan. Finally, even as the Housing Action Plan is being developed, the task force believes it would be advantageous to (5) field test these proposed strategies for facilitating the creation or strengthening of neighborhoods. The Houston Hope program adopted by Mayor White provides an excellent opportunity to test many of the strategies recommended here. In addition, it would be useful to include within the field tests neighborhoods at other stages of the revitalization process. Two neighborhoods that may be well positioned to serve as field tests are the Near Northside neighborhood (also known as Northside Village), where a master plan has already been completed, and the East End, where the Buffalo Bayou Partnership is active.

Goals of Houston's Housing Action Plan

A. Promote Sensible and Sustainable Growth

1. **Increase Housing Density in Selected Areas.** Encourage density in the urban core and near transit hubs and job centers to reduce traffic congestion and improve air quality.
2. **Maximize the City's Infrastructure Investments** by (a) planning new infrastructure investments to advance the city's community development objectives and achieve economies of scale and (b) encouraging development in areas with existing or planned infrastructure.

B. Expand Families' Housing Options

3. **Improve Housing Affordability.** Expand the range of both rental and owner-occupied housing affordable to families at all income levels, including and especially to lower-income families.
4. **Expand Homeownership Opportunities** for low- and moderate-income families.
5. **Improve Outcomes for Residents of Neighborhoods Undergoing Redevelopment.** Balance the concerns of existing residents with the need for urban redevelopment.

C. Create Stronger Neighborhoods

6. **Strengthen Existing Neighborhoods.** Provide mechanisms to help residents of existing neighborhoods promote, preserve and enhance their neighborhoods.
7. **Create New, Sustainable Communities** in suburban and other locations with available land that provide housing for all economic and age groups located in proximity to parks, schools, shops, police services and places of work.
8. **Revitalize Older Neighborhoods.** Promote and preserve inner city and older neighborhoods, improve their infrastructure, increase public open space, and encourage historic preservation resulting in diverse, livable, walkable neighborhoods.
9. **Improve the Allocation of Houston's Fiscal and Organizational Resources for Community Development.** Ensure that Houston's community development resources (e.g., CDBG, HOME, TIRZ affordable housing, etc.) are well targeted to meet the diverse needs of different neighborhoods.

D. Improve Housing-Related Decision-Making

10. **Strengthen the Transparency of Decision-Making.** Ensure that all decisions are made through a transparent, inclusive process.
11. **Strengthen the Coordination of Resources and Planning Processes** necessary to achieve the Housing Action Plan's objectives.

Report of the Planning Task Force

This report provides the recommendations of the Planning Task Force for the establishment of a Housing Action Plan in Houston. Background on the task force and an overview of its recommendations are contained in the Executive Summary. The sections that follow explain the need for a Housing Action Plan and the task force's detailed recommendations.

Why Does Houston Need a Housing Action Plan?

Houston needs a Housing Action Plan because its current policies are not set up to strategically achieve key housing-related objectives and to meet the fundamental housing-related challenges facing the City. Without a Housing Action Plan, Houston will remain a passive bystander while market forces shape the city's growth, rather than a proactive actor, working to channel and complement market forces to meet the City's needs.

The following are some of the key housing-related challenges facing the City that require a coordinated policy response through a Housing Action Plan:

- *Population Growth.* In its 2025 Regional Growth Forecast, the Houston-Galveston Area Council assumes an aggressive growth scenario for the region, whereby Harris County increases in population from 3,401,000 in 2000 to 5,385,000 in 2025 – an increase of nearly 2 million people or 636,000 households.² Policies are needed to ensure that all these new people have a place to live and that as many as possible locate within the city's borders. If the City of Houston cannot adequately house these people, they will choose to move outside the City and potentially outside of the region altogether.
- *Traffic Congestion.* The expected population growth is likely to exacerbate an already challenging traffic situation. A Housing Action Plan can help reduce traffic congestion by promoting infill development and greater housing density along transit lines and near job and activity centers.
- *Air Quality.* Automobiles contribute significantly to Houston's poor air quality. A Housing Action Plan can help improve air quality by promoting increased housing density near transit lines and jobs, reducing the use of cars.
- *Flooding.* By encouraging more infill development and greater housing density, a Housing Action Plan can reduce the rate of growth in land covered by concrete or pavement, reducing run-off that contributes to flooding.
- *Strained Infrastructure* – While important for Houston's long-term economic growth, population growth can strain the city's infrastructure system and budget. Infrastructure costs can be contained by planning new infrastructure investments to utilize economies of scale and encouraging development in areas where infrastructure already exists.

² HGAC's projection falls in between two of the three growth scenarios included in population estimates prepared by the Institute for Demographic and Socioeconomic Research at UT San Antonio in June 2004. The higher of the two scenarios assumes that net migration will continue at the level experienced between 1990 and 2000. The lower scenario assumes half that rate of net migration. (A third, likely unrealistic scenario, assumes 0% net migration.)

- *Affordable Housing.* Stronger affordable housing policies, as part of a Housing Action Plan, are needed to ensure that Houston has a sufficient stock of housing affordable to police officers, firefighters, teachers, and other essential workers. Without better policies and sound planning, these workers will have little choice but to locate on the periphery of the metropolitan area, leading to increasingly long commutes that will make it harder and harder for Houston to be competitive in attracting essential workers.
- *The Needs of the City's Poorest Residents.* Many of the city's poorest residents – including the “working poor” – live in substandard housing conditions and cannot afford the rents or home prices of so-called “affordable” developments (let alone market-rate ones). By better coordinating existing housing resources, a Housing Action Plan can help ensure that more of these residents have access to decent, affordable housing.
- *Impact of Gentrification.* Rapid increases in housing costs in close-in neighborhoods are driving long-term residents out of familiar neighborhoods. Many residents feel they have little or no control over the character of their community. A Housing Action Plan can help address this inequitable situation, improving opportunities for local renters to “buy-in” to their neighborhoods and for local homeowners to have a meaningful choice of whether to stay or sell. By minimizing resident opposition to neighborhood revitalization, such policies can also help facilitate redevelopment.
- *Homeownership.* Houston's homeownership rate is well below the national average. A Housing Action Plan can help increase homeownership, enhancing community stability.
- *Lack of Coordination.* At present, government services related to housing, transportation and infrastructure are fragmented and often uncoordinated. A Housing Action Plan can ensure better coordination between these diverse services, improving efficiency and effectiveness.

In sum, while the City invests millions each year in housing, infrastructure and transportation, there is no overall policy framework to guide these investments. There also is no process in place for systematically evaluating current City policies to determine whether they represent the most efficient and desirable policies to achieve agreed-upon objectives. A Housing Action Plan would supply the missing framework for strengthening the City's housing-related policies to ensure they are strategically designed to achieve the City's objectives.

Components of a Housing Action Plan for Houston

In the pages that follow, we list the principal components of a Housing Action Plan for Houston. The pages are organized by the four major goals of the Plan: (a) promote sensible and sustainable growth; (b) expand families' housing options; (c) create stronger neighborhoods; and (d) improve the city's housing-related decision-making. To facilitate readability, some of the details of specific recommendations have been moved to Appendices.

A summary chart listing all the principal recommendations precedes a more detailed discussion of the recommendations. The report concludes with a recommendation to immediately start field testing the ideas proposed for inclusion in the Housing Action Plan for facilitating the creation of strong neighborhoods and the strengthening of existing neighborhoods.

Summary of Principal Recommendations for Houston's Housing Action Plan

Goal	Sub-goal	Recommendation
A. Promote Sensible and Sustainable Growth	1. Increase Housing Density in Selected Areas. Encourage density in the urban core and near transit hubs and job centers to reduce traffic congestion, improve air quality, and achieve other city goals.	1.1 Identify areas in which increased housing density would be appropriate – for example, within ¼ or ½ mile of light rail stations, in the urban core, near job centers, etc.. 1.2 Develop and fund incentives to encourage higher-density development in these specific locations. 1.3 Explore guidelines to maximize transit-supportive development in light rail corridors. 1.4 Conduct a campaign to educate the public about the benefits of greater density and dispel concerns about negative ramifications.
	2. Maximize the City's infrastructure investments by (a) planning new infrastructure investments to advance the city's community development objectives and achieve economies of scale; and	2.1 Identify priority areas in which to provide strategic infrastructure investment and incentives. 2.2 Phase capital improvements to take advantage of economies of scale; coordinate efforts to leverage investments made by TIRZ's and Management Districts. 2.3 Improve the City's 70/30 developer participation process for infrastructure improvements.
	... (b). encouraging development in areas with existing or planned infrastructure.	2.4 Establish a "scorecard" system to promote infill development priorities. 2.5 Provide financial support to small builders who build infill housing affordable to low-income families 2.6 Provide waivers from certain existing development requirements for retrofitting existing commercial buildings, or projects employing "traditional neighborhood designs," transit oriented development, infill development, or environmental conservation designs. 2.7 Support businesses interested in locating in infill areas.
B. Expand Families' Housing Options	3. Improve Housing Affordability. Expand the range of rental and owner occupied housing affordable to families at all income levels, including and especially to lower-income families.	Recommendations for this goal are included in the Affordable Housing Task Force Report.
	4. Expand Homeownership Opportunities for low- and moderate-income families.	
	5. Improve Outcomes for Residents of Neighborhoods Undergoing Redevelopment. Balance the concerns of existing residents with the need for urban redevelopment.	

C. Create Stronger Neighborhoods	6. Strengthen Existing Neighborhoods. Provide mechanisms to help residents of existing neighborhoods promote, preserve and enhance their neighborhoods.	<p>6.1 Improve the integration and coordination of local planning processes by (a) ensuring that recommendations for city action in qualifying local plans receive priority attention by the appropriate city agencies; (b) allowing local plans to express a preference for design guidelines that would apply to their neighborhood; (c) establishing a process for advising different government agencies of the recommendations in the plans and requesting their cooperation in implementation; and (d) making funding available to help neighborhoods prepare effective plans.</p> <p>6.2 To help implement the city-wide development incentives and recognized local plans, set up a voluntary site plan review process, the use of which would be a condition for accessing these incentives as well as any city subsidies, such as those for affordable housing. The site plan review would provide an opportunity to advise property owners of the preferences expressed in any local plan.</p> <p>6.3 To strengthen residents' ability to shape the character of their neighborhoods, assist neighborhoods in enforcing and developing deed restrictions.</p> <p>6.4 Provide the planning department with the resources necessary to effectively implement these recommendations.</p>
	7. Create New, Sustainable Communities in suburban and other locations with available land that provide housing for all economic and age groups located in proximity to parks, schools, shops, police services and places of work.	<p>7.1 Amend Chapter 42 to allow new urban development to occur outside of Loop 610 (e.g., when located along public transit corridors, at transit hubs or adjacent to large commercial sites). Also consider allowing higher density "for sale" housing near the city's core,</p> <p>7.2 Supplement Chapter 42 with incentives that encourage neighborhood friendly development practices such as: wider sidewalks in urban areas, use of existing alleys, rear facing garages or garage doors not visible from the street, front porches, pocket parks, etc.</p> <p>7.3 Review the "Major Thoroughfare and Freeway Plan" and incorporate new standards and requirements for a collector street plan.</p> <p>7.4 Establish a comprehensive "Major Sidewalk and Trail Plan" styled after the "Major Thoroughfare and Freeway Plan."</p>
	8. Revitalize Older Neighborhoods. Promote and preserve inner city and older neighborhoods, improve their infrastructure, increase public open space, and encourage historic preservation resulting in diverse, livable, walkable neighborhoods.	<p>8.1 Adopt recommendations in the Affordable Housing Task Force Report relating to (a) promoting housing rehabilitation; and (b) helping residents of gentrifying neighborhoods afford the rising housing costs that accompany redevelopment. In addition, the permit process should be simplified to assist community housing organizations building in predominantly low-income areas.</p> <p>8.2 Thoroughly review the Super Neighborhood Action Plan process to ensure it leads to a comprehensive, strategic approach to identifying and meeting the infrastructure and other capital improvement needs of older neighborhoods.</p> <p>8.3 A more proactive process is needed for identifying historic sites and encouraging</p>

		renovation, rather than demolition, of such sites.
	<p>9. Improve the Allocation of Houston’s Fiscal and Organizational Resources for Community Development. Ensure that Houston’s community development resources (e.g., CDBG, HOME, TIRZ affordable housing, etc.) are well targeted to meet the diverse needs of different neighborhoods.</p>	<p>9.1 Strengthen the process for responding to neighborhood needs to ensure that the priorities identified by neighborhoods through neighborhood plans receive special attention for funding.</p>
D. Improve Housing-Related Decision-Making	<p>10. Strengthen the Transparency of Decision-Making. Ensure that all decisions are made through a transparent, inclusive process.</p>	<p>10.1 Adopt the recommendations described in the Affordable Housing Task Force report to improve transparency in the allocation of affordable housing resources.</p> <p>10.2 Strengthen the Consolidated Plan Process by: (a) developing and publicly articulating a clear set of priorities to guide decision-making (these should be proposed by the Mayor and adopted by City Council); (b) demonstrating in the plan how the final resource allocation decisions match these priorities; and (c) incorporating meaningful public comment into the process.</p>
	<p>11. Strengthen the Coordination of Resources and Planning Processes necessary to achieve the Housing Action Plan’s objectives.</p>	<p>11.1 Develop an overall “housing strategy” for the City, based on projected demand for housing affordable to different income levels and reflecting the complementary contributions that different City agencies could make to meeting these needs.</p> <p>11.2 Assign a full complement of senior staff to the Deputy Chief of Staff for Neighborhoods and Housing to ensure that he or she is able to fully coordinate the activities of the many city departments related to housing and interface effectively with the Houston Housing Authority and county, state and federal housing departments.</p> <p>11.3 As noted in part C, above, establish a “Super Group” of agency representatives to coordinate civic, social, educational, and cultural investments within neighborhoods with neighborhood plans.</p> <p>11.4 Adopt the recommendations described in the Affordable Housing Task Force to establish (a) a Citizen’s Advisory Committee to assist the city in overseeing the RFP process for allocating city-controlled affordable housing funds and to recommend improvements to the RFP process and other city housing policies; and (b) a housing roundtable of City Departments to coordinate affordable housing policies.</p>
<p>Field Tests: In Houston Hope and other city neighborhoods, immediately start field testing the ideas proposed for inclusion in the Housing Action Plan for facilitating the creation of strong neighborhoods and the strengthening of existing neighborhoods.</p>		

A. Promote Sensible and Sustainable Growth

This section of the Housing Action Plan addresses the process of planning for growth. While acknowledging the importance of market forces in shaping Houston's future growth, the Task Force urges the City to adopt policies designed to encourage sensible patterns of development that help to meet such challenges as population growth, traffic congestion, poor air quality, and limited city resources. In light of such challenges, the most important priorities of this section of the Housing Action Plan are to increase housing density in selected areas and to maximize the city's new and existing infrastructure investments. (Other sections of the Housing Action Plan focus on affordable housing and strengthening neighborhoods.)

As noted in the introduction, greater housing density can help the city effectively house the many additional citizens expected in the next 25 years, as well as reduce traffic congestion and improve air quality by reducing the need for additional cars and light trucks. Despite density's benefits, many members of the public are fearful of greater density. Public education on the benefits of density and the strategies that will be employed to ensure it enhances rather than detracts from the city's quality of life would help to facilitate acceptance of these proposals.

The recommendations in this section generally share two central features. First, they tend to be geographically specific. In other words, they require the City to identify *specific areas* within the City in which the City would like to promote greater density (i.e., near transit hubs, the urban core job centers, etc.) or infill development and/or in which the City projects a need for new infrastructure (to improve coordination and take advantage of economies of scale).

Second, these recommendations all require coordination between two or more city departments, especially planning, housing and community development, and public works. The lack of coordination across these departments is one reason why recommendations such as the ones advanced in this report have not yet been adopted. An effective housing policy requires coordination of these different departments through a housing chief who is well staffed to play this critical coordinating role. The appointment of John Walsh as Deputy Chief of Staff for Neighborhoods and Housing is an important step in the right direction. For maximize his effectiveness in coordinating the policies of the different city departments, however, he will likely need a larger staff.

Recommendations:

1. **Increase Housing Density in Selected Areas.** Encourage density in the urban core and near transit hubs and job centers to reduce traffic congestion, improve air quality, and achieve other city goals.
 - Identify areas in which increased housing density would be appropriate – for example, within ¼ or ½ mile of light rail stations, in the urban core, near job centers, etc..
 - Develop and fund incentives to encourage higher-density development in these specific locations. Such incentives could include property tax abatements, fee waivers, exceptions to the city's minimum lot sizes for single-family housing and minimum parking requirements, streamlined processing of permit requests, etc. Specific incentives could also be included to encourage mixed-income development in these locations that

include units affordable to families at different income levels. Projects located in these density areas could also be given priority for city funding for infrastructure, affordable housing, etc. See Appendix A for case studies of cities with similar incentives.

- In addition to general efforts to increase density in these areas, explore the development of guidelines to maximize transit-supportive development in light rail corridors. Several research studies have indicated a link between residential density and transit ridership. Appendix X shows current gross residential density (dwelling units per acre) within a 1/4-mile radius (generally accepted as a threshold walking distance) of existing and planned METRO light rail stations. Incentive programs could be geared towards increasing dwelling unit density in these areas. A possible target could be 16 dwelling units per acre."³
- The areas to which these and all other incentives in this report would apply should be selected through an open and transparent process.

Because some members of the public associate greater population density with negative, rather than positive, outcomes, it would be useful to conduct a campaign to educate the public on the many benefits of greater density, including reduction in traffic congestion and improvements in air quality.

2. **Maximize the City's Infrastructure Investments** by (a) planning new infrastructure investments to advance the city's community development objectives and achieve economies of scale and (b) encouraging development in areas with existing or planned infrastructure.

(a) **Strategic Infrastructure Investments**

- Identify priority areas in which to provide strategic infrastructure investment and incentives, using factors such as: existing street grids, planned transit lines, opportunities for jobs/housing balance, (e.g., medical center, university area), and synergy with neighborhood revitalization efforts.⁴
- Phase capital improvements to take advantage of economies of scale (e.g., coordinate utility, street, sidewalk improvements at the same time); coordinate efforts to leverage investments made by TIRZ's and Management Districts.
- Improve the City's 70/30 developer participation process for infrastructure improvements, as outlined in the Affordable Housing Task Force report. (For the

³ One study indicated a significant increase in transit trips when residential density increased from 7 to 16 dwelling units per acre.

⁴ Illustrative of the need for such an approach is the *Southern Houston Sector Study* by the Planning and Development Department which notes (at p. 8) that "an Infrastructure Master Plan that addresses roads and utility needs and anticipates future development/redevelopment, with a timeline for committing to undertake infrastructure improvements, will provide a positive direction to encourage investment in the area. Currently development in the area is difficult due to the lack of infrastructure and the inability of investors to bear the cost of infrastructure improvements needed to make development feasible. Such a plan will ensure timely investment and make the area more attractive to development."

convenience of readers, copies of those recommendations are included in Appendix B.) In addition, consider increasing the reimbursement rate for areas in which the city wishes to promote greater density and conducting a general evaluation of the success of the program to date.

(b) Encourage Infill Development

- Establish a “scorecard” system to promote infill development priorities (e.g., size, type, location and design of proposed project). Scores are used to provide a basis for reducing fees associated with development, including: use or closure of public rights-of-way; review fees; and water/sewer fees. Provide for expedited plan review for high-performing projects.
- Provide financial support to small builders who build infill housing affordable to low-income families. See, for example, Austin’s Small Builders program, which provides low-cost interim construction financing.⁵
- Provide waivers from existing development requirements for retrofitting existing commercial buildings, or projects employing “traditional neighborhood designs,” transit oriented development, infill development, or environmental conservation designs. Elements which could be considered include: off-street parking; density cap; and lot width.
- Support to businesses: Provide marketing support to businesses locating in targeted areas; establish site development briefing team to provide support for projects locating in targeted areas in city plan review and code compliance; prepare catalogue of all incentives related in development within the city.⁶

See Appendix C for other strategies to consider including within this component of the Housing Action Plan.

⁵ <http://www.ci.austin.tx.us/ahfc/builder.htm>

⁶ See, e.g., the catalog produced by San Antonio: www.sanantonio.gov/incentives/catalogofincentives.asp.

B. Expand Families' Housing Options

The second key objective of the Housing Action Plan is to expand families' housing options. Specifically, the Plan should incorporate policies to achieve the following goals:

3. **Improve Housing Affordability.** Expand the range of rental and owner occupied housing affordable to families at all income levels, including and especially to lower-income families..
4. **Expand Homeownership Opportunities** for low- and moderate-income families.
5. **Improve Outcomes for Residents of Neighborhoods Undergoing Redevelopment.** Balance the concerns of existing residents with the need for urban redevelopment.

To minimize duplication, readers are referred to the recommendations of the Affordable Housing Task Force, established in October 2004 to follow up the affordable housing recommendations of *Housing Strategies for Houston: Expanding Opportunities*. If adopted, those recommendations would greatly advance the three objectives of this section of the Housing Action Plan.

C. Create Stronger Neighborhoods

A neighborhood is more than a collection of roof-tops. In addition to houses, well-designed neighborhoods include parks, schools, shops, police services and places of work. Well-designed neighborhoods also provide for connectivity within the neighborhood (and to other neighborhoods), foster a sense of “community” and provide for a mix of uses and housing types to maximize families’ choices.

This section of the Housing Action Plan focuses on strengthening existing and creating new neighborhoods. The sub-goals of this section are to: strengthen existing neighborhoods; create new sustainable communities; revitalize older neighborhoods; and improve the allocation of Houston’s fiscal and organizational resources for community development.

Recommendations:

6. Strengthen Existing Neighborhoods. Help residents of existing neighborhoods promote, preserve and enhance their neighborhoods through: (a) improved integration and coordination of local planning processes; (b) a voluntary site plan review process; (c) a process for advising agencies of the City, County and Independent School District of community and business recommendations contained in local plans; and (d) stronger enforcement of existing deed restrictions.

A. Improved Integration and Coordination of Local Planning Processes. At present, there are numerous local planning initiatives and programs taking place through the City, including processes related to Management Districts, Tax Increment Reinvestment Zones (TIRZs) and Super Neighborhoods, as well as processes undertaken by business associations, Community Development Corporations, and other organizations. There is no well-established mechanism, however, for coordinating these plans with City action. To enhance the efficiency of existing planning efforts, we recommend that this linkage be strengthened in the following manner:

- The city should establish basic guidelines for the types of plans that will be eligible for the benefits described below. The guidelines should be flexible enough to recognize the diversity of different planning processes already underway, and also work to minimize geographical overlap and conflicts between plans. We do not recommend that the City require all plans to funnel through a single geographic lens, which would in essence create a new layer of local government. Instead, we recommend that the City work with the existing array of planning processes and establish procedures for airing and resolving any conflicts that might arise between local planning bodies with overlapping geographical boundaries.
- The city should take steps to ensure that the recommendations for city action (e.g., new infrastructure investments, code enforcement, construction of affordable housing, etc.) contained in eligible plans receive priority attention and consideration for funding or other city action. (This is not to say that a neighborhood must have an eligible plan to receive city funding, but there is clearly a need to improve the linkage between district and neighborhood recommendations contained in well-designed plans and city funding decisions.)

- Chapter 42 should be amended to specify a number of neighborhood types – for example: central business district, urban neighborhood, suburban, etc. For each neighborhood type, a specific set (or range) of design standards should be established to strengthen neighborhood cohesion. The standards should not relate to land use, but rather to design elements such as minimum set-backs, street widths, curb-cuts, sidewalks, and location of parking. Eligible plans should have the option of selecting which standard(s) apply to their neighborhood. (There are differences of opinion among task force members on how best to implement the design standards selected by a community in such a plan.)
- The desires of community members expressed in recognized plans should be communicated to property owners and developers through a voluntary site plan review process described below.
- Once this process has been established, and subject to the availability of funds, it will be important to make funding available to ensure that neighborhoods that do not currently have a recognized plan have professional planning assistance, either from City staff or consultants, to help them articulate their aspirations and future vision in plans, as well as to conduct the organizing needed to reach out to residents affected by plans.

B. Voluntary Site Plan Review Process. To help implement the city-wide development incentives and recognized local plans, the city should set up a voluntary site plan review process, the use of which would be a condition for accessing these incentives as well as any city subsidies, such as those for affordable housing.

- The site plan review will provide an opportunity for planning department staff to review the property owner's plan, advise the owner of any density, infrastructure, or other incentives to which the owner has not availed him or herself, and also advise the owner of the standards set out in the neighborhood plan. (Additional incentives could be added to encourage compliance with the neighborhood plan.)
- The site plan review also will provide for public input (through Super Neighborhoods and civic associations) at an early stage of development, minimizing last-minute hold-ups due to community opposition and thus enhancing the predictability of development decisions.
- The value of the site plan review process would be enhanced if administered by planning department staff with detailed knowledge of the particular neighborhood in which a proposed development is to be located. (Ideally, the same staff person would handle all the reviews for a particular neighborhood, enhancing their knowledge of the neighborhood and giving the development community a go-to person for that neighborhood.) The planning department would likely need additional staff to handle this additional responsibility; if so, we recommend that these resources be provided.

C. Intergovernmental Collaboration. Establish a process for advising agencies of the City, County and Independent School District of community and business recommendations contained in local plans and requesting their collaboration on implementation. One option would be to establish a coordinating committee consisting of agency representatives involved with civic, social, educational, and cultural investments. These representatives could meet periodically with representatives of local plans to discuss how the different agencies are responding to the

communities' requests.

D. *Enforcing Deed Restrictions.* To strengthen residents' ability to shape the character of their neighborhoods, assist neighborhoods in enforcing and developing deed restrictions.

7. Create New, Sustainable Communities in suburban and other locations with available land that provide housing for all economic and age groups located in proximity to parks, schools, shops, services and places of work.

- Amend Chapter 42 to allow new urban development to occur outside of Loop 610, for instance, when such development will be located along public transit corridors, at transit hubs (park and ride) or adjacent to large commercial sites (e.g. Willowbrook Mall). Also consider allowing higher density "for sale" housing near the city's core (Midtown, Ball Park area, etc.)
- Supplement CHAPTER 42 with incentives that encourage neighborhood friendly development practices such as: wider sidewalks in urban areas, use of existing alleys, rear facing garages or garage doors not visible from the street, front porches, pocket parks, etc.
- To strengthen connectivity within and between neighborhoods (especially in new suburban development):
 - i) Review the "Major Thoroughfare and Freeway Plan" and incorporate new standards and requirements for a "collector street plan." This would help provide safer options for bicycling and walking and could help divert some short car trips from congested major streets. Houston's "Major Thoroughfare and Freeway Plan" is an effective tool to provide for the orderly development of the city's primary transportation infrastructure. A similar plan for the secondary, collector level roadways would better coordinate mobility planning at the neighborhood scale. A "Collector Street Plan" would help enhance connectivity between neighborhoods using local streets instead of Major Thoroughfares. This would be most beneficial in promoting additional opportunities for bicycling and walking. An additional benefit of a finer grid of collector streets, coordinated with the major thoroughfares, would be the diversion of some short vehicle trips from congested major thoroughfares. However, such a plan should include design standards that minimize cut-through traffic impacts on neighborhoods.
 - ii) Establish a comprehensive "Major Sidewalk and Trail Plan" styled after the "Major Thoroughfare and Freeway Plan." This will facilitate connectivity by foot and bicycle.

8. Revitalize Older Neighborhoods. Promote and preserve inner city and older neighborhoods, improve their infrastructure, increase public open space, and encourage historic preservation resulting in diverse, livable, walkable neighborhoods.

- Adopt recommendations in the Affordable Housing Task Force Report relating to (a) promoting housing rehabilitation; and (b) helping residents of gentrifying neighborhoods afford the rising housing costs that accompany redevelopment. In addition, provide training and support to assist community housing organizations building in

predominantly low-income areas

- Thoroughly review the Super Neighborhood Action Plan process to determine whether it leads to a comprehensive, strategic approach to identifying and meeting the infrastructure and other capital improvement needs of older neighborhoods. If not, the process may need to be retooled and reinvigorated to ensure that residents have the planning assistance needed to identify and rank priorities.
- A more proactive process is needed for identifying historic sites and encouraging renovation, rather than demolition, of such sites.

9. Improve the Allocation of Houston's Fiscal and Organizational Resources for Community Development. Ensure that Houston's community development resources (e.g., CDBG, HOME, TIRZ affordable housing, etc.) are well targeted to meet the diverse needs of different neighborhoods.

- Strengthen the process for responding to neighborhood needs to ensure that the priorities identified by neighborhoods through neighborhood plans receive special attention for funding. For the system described in this Plan to work, the neighborhood plan recommendations for capital improvements, economic development, and affordable housing, must be closely linked to funding decisions by the city. This is not to say, of course, that every recommendation included in a neighborhood plan must be accepted, but the recommendations do need to receive special attention to ensure that they are fully considered and, where sensible, accepted.

D. Improve Housing-Related Decision-Making

This section of the housing action plan focuses on two key aspects of the decision-making process for the city's housing-related policies and activities: transparency and coordination. As noted in the Affordable Housing Task Force, a large share of the city's affordable housing resources are allocated through an opaque RFP process that has no real standards or priorities. The Consolidated Plan process – required by HUD for allocating certain HUD funds (CDBG, HOME, ESG, and HOPWA) – is likewise largely opaque; while there are a number of public hearings, it's not clear that these hearings have a substantial impact on the decisions made. Nor is it clear how the Department decides among all the requests it receives for the expenditure of these funds. The Capital Improvement Plan process is similarly opaque.

An equally significant problem is the apparent lack of coordination between the housing, planning, and public works departments. Such coordination is necessary to ensure that resource allocation is based on well-developed plans – for example, the allocation of infrastructure resources to areas with the greatest needs and the implementation of density bonuses described in part A of this report. As described in the Affordable Housing Task Force Report, additional coordination is also needed between the city's housing department, housing authority, and housing finance corporation to ensure the efficient use of affordable housing resources to meet Houston's affordable housing challenges.

10. Strengthen the Transparency of Decision-Making. Ensure that all decisions are made through a transparent, inclusive process.

- Adopt the recommendations described in the Affordable Housing Task Force report to improve transparency in the allocation of affordable housing resources.
- Strengthen the Consolidated Plan Process by: (a) developing and publicly articulating a clear set of priorities to guide decision-making (these should be proposed by the mayor and adopted by city council); (b) demonstrating in the plan how the final resource allocation decisions match these priorities; and (c) incorporating meaningful public comment into the process.
- Review the CIP process to determine how best to strategically align funding decisions with the city's housing policies.

11. Strengthen the Coordination of Resources and Planning Processes necessary to achieve the Housing Action Plan's objectives.

- The City should develop an overall "housing strategy," based on projected demand for housing affordable to different income levels and reflecting the complementary contributions that different City agencies could make to meeting these needs. Such a strategy – developed, say, for a five-year period and revisited every three years – would play a valuable role in helping to facilitate coordination across the different agencies that impact housing production and affordability. While the City need not wait for the outcome of a study to begin implementing necessary policy changes, we believe that a solid study of projected housing demand would be a useful step in developing the city's long-term housing strategy. We understand that the City plans to conduct such a study

and commend the City for this important step forward.

- Assign a full complement of senior staff to the Deputy Chief of Staff for Neighborhoods and Housing to ensure that he or she is able to fully coordinate the activities of the many city departments related to housing and interface effectively with the Houston Housing Authority and county, state and federal housing departments.
- As noted in part C, above, strengthen intergovernmental collaboration to facilitate implementation of community and business recommendations contained in local community plans.
- Adopt the recommendations described in the Affordable Housing Task Force to establish (a) a Citizen's Advisory Committee to assist the city in overseeing the RFP process for allocating city-controlled affordable housing funds and to recommend improvements to the RFP process and other city housing policies; and (b) a housing roundtable of City Departments to coordinate affordable housing policies.

Field Testing Recommendations

Even as the Housing Action Plan is being developed, the planning task force believes it would be advantageous to start field testing new strategies for facilitating the creation or strengthening of neighborhoods. These field tests would help the city work out the particulars of policies that could then be applied more broadly through the Housing Action Plan. For example, through field tests, the city could help determine (a) reasonable parameters for the development of neighborhood plans; (b) the resources needed to effectively empower residents to participate in the planning process and for the city to respond effectively and efficiently to needs the residents identify; (c) effective strategies for ensuring the availability of housing affordable to families at different income levels; (d) the ideal array of incentives to encourage density in appropriate locations; (e) the cost savings involved in taking a wholesale approach to new infrastructure development; etc.

The neighborhoods chosen for the City's Houston Hope program would be excellent candidates for these field tests. In addition, it would be useful to include neighborhoods at other stages of the revitalization process. Two field test candidates are the Near Northside neighborhood (also known as Northside Village) and the East End. The Near Northside neighborhood is located in one of the city's transit corridors and has already completed a master planning process, based on substantial public input. For the East End, the Buffalo Bayou Partnership's August 2002 Master Plan provides a solid foundation for the planning needed to develop a sustainable neighborhood. The Partnership also has control over some land, and the ability to gain control over additional land, that could prove useful in helping the community realize its vision for the neighborhood.

Appendix A: Density Incentives

The following are case studies of three cities that have established incentives to encourage development or greater density within particular parts of the city:

- Austin, TX provides the following benefits to areas it designates “Desired Development Zones” (DDZs): fee reductions or waivers; priority for city-controlled development assistance; and faster reimbursement for the construction of major water or wastewater facilities. Additional incentives apply to encourage large employers to build within DDZs. Austin also provides fee waivers and expedited review of development permits of housing projects that meet its definition of **Safe, Mixed-Income, Accessible, Reasonably-Priced, Transit-Oriented Housing**.⁷
- Los Angeles, CA. The City of Los Angeles grants a 35% affordable housing density bonus by right for developments within 1,500 feet of a major transit stop. (Citywide Affordable Housing Incentives); permits one parking space per unit for affordable housing developments with 1,500 feet of a major transit stop. (Citywide Affordable Housing Incentives); and allows a 15% parking reduction within 1500 feet of Metro Rail Red Line. (Vermont/Hollywood Station Area Neighborhood Plan).⁸
- Tacoma, WA provides a property tax abatement incentive to encourage the development of multifamily housing in one of 14 designated Mixed-Use Centers. (The abatement applies to improvements to the property subsequent to application for the abatement, not the land valuation and existing structures.) The goals of the policy are to “direct population growth to designated residential target neighborhoods, protect existing single family neighborhoods from additional multifamily development, encourage transit supportive development, and increase commercial development in the centers.”⁹ Seattle, WA has a similar policy, which the additional caveat that a portion of the units must be affordable.¹⁰

⁷ www.ci.austin.tx.us/smartgrowth/incentives.htm

⁸ <http://www.livableplaces.org/policy/todincentives.html>

⁹ www.cityoftacoma.org/34housing/TaxIncentives.htm

¹⁰ www.cityofseattle.net/housing/PropertyExemption.htm

Appendix B: Developer Participation Process for Infrastructure Improvements

We incorporate by reference the following recommendations concerning the 70/30 Developer Participation process for infrastructure improvements included in the Affordable Housing Task Force Report.

1. Streamline the 70/30 Developer Reimbursement Program. This program was created to help increase the city's affordable housing stock available to low- and moderate-income families by reducing the costs to profit and nonprofit developers of providing or improving basic infrastructure. While the basic concept is sound, the process needs to be streamlined and accelerated to become more effective and timely and to increase developer participation. Specifically, we recommend that the city: (i) simplify the rules, manual and flow chart; (ii) streamline and improve consistency in the decision making process (eliminate rules changes, unpredictable timing, etc.); (iii) establish a point person or separate office to handle this program; and (iv) streamline construction awards. The basic principle ought to be that the developer hires the engineer and the city approves the plan. The developer should be allowed to bid, manage the project, and show proof of compliance. Improvements are also needed in the timing of the joint referral process. All in all, the goal should be to reduce the time for completion of the entire process to no more than four to six months.

2. Promote Neighborhood Revitalization through Scattered Site Development. The 70/30 infrastructure reimbursement program does not work well when applied to the type of small-scale, scattered site development necessary to promote neighborhood revitalization. To promote community revitalization, the reimbursement program for new subdivision infrastructure and drainage costs should be extended to apply to scattered site lot development.

Appendix C: Maximizing the City's Infrastructure Investments

The following are additional policies related to maximizing the city's infrastructure investments that could be considered for inclusion in Houston's Housing Action Plan.

Targeted state and federal investments

- Explore possible state and federal investments in transportation infrastructure to support infill projects. H-GAC could examine program currently used in D-FW area.

Land banking

- Could help with infill development.
- Focus program on assembling larger parcels where builders could achieve economies of scale.

Land swaps

- Allow developer to "swap" for city or other publicly owned land (HISD, County, METRO) to free up strategic development or redevelopment sites.
- Identify opportunities for utilizing "brownfield" sites (though notification requirements may rule out residential projects).

Tax abatement

- Explore lowering job creation threshold on tax abatements on commercial development in strategic locations.
- Allow deductions of expenses associated with "brownfield" clean-up.